



June 5, 2006

RE: RFP DGS-2053 **ADDENDUM #33**

TO ALL INTERESTED BIDDERS:

This addendum makes changes or corrections to the following RFP Sections:

**SECTION 4**

**4.5.1, page 8-9.** Modified item number 2 and inserted new items 3-5 regarding statewide pricing rates, causing a renumbering of all subsequent items; modified newly renumbered item 13 to require unique identifiers. All this caused the “Bidder understands...” statement to move to a new page 9-a.

**4.5.9.3, page 24.** Added new bullet at end of bulleted section ensuring compliance with provisions of Appendix B, Section 30.

**Table 4A, page 28.** Added a Deficiency and associated Performance Deficiency Charge regarding failure to comply with provisions of Appendix B, Section 30 at end of table.

**GENERAL NOTE**

All of the references above are summaries. Please read the entire text of each change. Changes are indicated by a horizontal or vertical line in the right margin of each page. A horizontal line indicates that text has been removed. A vertical line means text has been added or text has been changed. Please replace the RFP pages with the pages included in this addendum.

Please send any questions to me via e-mail.

Sincerely,

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State and Consumer Services Agency

DEPARTMENT OF GENERAL SERVICES

Procurement Division

## Section 4

## 4.5 PROPOSED STATE ENVIRONMENT (M-O)

### 4.5.1 Major Objectives

Listed below are the major objectives the State wishes to achieve through competitively bid statewide Contracts:

1. Obtain cost effective, reliable, and secure telecommunications products and services for State and local government Agencies as provided for by the State vision, strategies and policies.
2. Consolidation of the State's telecommunications buying power through standard statewide pricing. For the purpose of the RFP, statewide pricing is defined as Contractor's franchise service areas and those geographic areas where the CPUC has approved competition. Contractors shall be required to offer baseline pricing in their Proposal for all offered services for all Customers.
3. Upon contract execution, Contract rates for all Module Services will be immediately available to:
  - a. New Customers
  - b. Existing Customers for new Services
  - c. All Customers for Services in Modules 3 and 4
4. New Contract rates for existing CALNET I Customers transitioning to CALNET II (Modules 1 and 2) will be effective no later than 120 days after award. Contractors will credit these Customers retroactive to the 120 day effective date for any Services transitioned on or after that date. For Services transitioned prior to the 120 day effective date, the new rates will begin on the transition date.
5. Credit will be equal to the monetary difference between the CALNET I rate and the CALNET II rate for the transitioned service.
6. A non-exclusive Contract model with a single prime Contractor for each of the four Modules described in Section 4.4 and in Section 6, where the Contractor will be given the opportunity within the Contract terms to provide reduced service pricing consistent with State policy (Management Memo 04-08 or its updated versions) before the State exercises its option to obtain services from alternative vendors. (See Section 4.5.2 regarding individual pricing requirements.)
7. No cost to existing Customers to Transition to replacement services in Module 1 and Module 2; Contractors must plan and communicate how this Transition would be accomplished in the least disruptive way.
8. Establish Contract amendment criteria and processes to enable the Contract(s) to be modified expeditiously to add enhanced services and features, reduce rates, or change other terms and conditions.

9. Establish business practices with the Contractor(s) to manage, deploy and implement services and sophisticated network monitoring capabilities, applicable reports and Customer training.
10. Ongoing and periodic in-depth reviews of service maintenance and provisioning strategies in the best interest of the Customer, including the ability to manage, track and report on large projects, and to make adjustments in Contractor(s) pricing.
11. Assessment of options for failure to meet Contract terms and conditions, and other designated rights and remedies for the State, with the ability to discontinue or substitute services as determined by DTS/STND, with advisory input from Customers and Contractor.
12. Continued support of Federal Universal Service Fund programs that assist qualified schools and libraries in obtaining cost effective telecommunications services.
13. Billing invoice systems used by the Contractor and/or Affiliates and subcontractors will be of the same invoice format and detail, and non-contract service items will be indicated with unique identifiers. Any request by Customers for special invoice requirements will be pre-approved by DTS/STND.
14. Confirmation and demonstration through Bidder response that the Bidder will comply with Appendix B, Model Contract Language, Section 60, regarding application of all service taxes, fees, surcharges, and surcredits.
15. Each Contractor will accept full responsibility to perform as the statewide Single Point of Contact for all Contract requirements for their respective Module, including service design, ordering, provisioning, maintenance, training, trouble reporting, and invoicing. This responsibility includes the conduct of each Contractor, their Affiliates or subcontractors, in complying with the terms and conditions of the Contract. Each Contractor will comply with the State's vision for an effective Contractor/State business relationship based on the services and business principles defined in this RFP.
16. Each Contractor, their Affiliates or subcontractors, as an integral part of the business relationship envisioned by the State in the RFP, are expected to provide consultative business assistance to Agencies in the planning, selection, application, and cost effective use of Contract Services at no additional cost.
17. Each Contractor will commit that corporate staff and resources commensurate with the size and complexities of the Contract will be assigned to support services throughout the Term of the Contract.
18. Each Contractor will inform the State in writing and make available any agreements with Affiliates or subcontractors that impact the performance of the Contract.

receive cost effective and efficient services that in turn enable them to better serve the citizens of California. Some examples that illustrate relationship management for which the State holds the Contractor responsible include, but are not limited to the following:

- Ensuring that Contractor assigns a DCPM throughout the Term of the Contract.
- Ensuring that Contractor provides adequate Contractor staff resources and skill levels to support Contract programs and Customers.
- Ensuring that Contractor responds promptly to DTS/STND Management's verbal requests and/or directions regarding contract issues.
- Ensuring that the Contractor and its subcontractors and/or Affiliates comply with Contract terms and conditions.
- Ensuring that Contractor provides written notice to DTS/STND 60 calendar days prior to effective date of FCC and CPUC mandated and discretionary charges (i.e., service taxes, fees, surcharges and surcredits), which Contractor intends to recover from the Customers. Written notice must also include: (i) The Service(s), location(s), and Customer(s) affected by such service taxes, fees, surcharges and surcredits, (ii) The effective period of such items, (iii) A description of how such items are to be applied, and (iv) A description of how the accuracy of such items may be verified by Customers.
- Ensuring that Contractor promptly responds to State's written requests for Contract related and/or supplemental information.
- Ensuring that Contractor complies with contractual obligation, commitment, spirit, and intent of the four (4) Module concept to establish Contract Business Relationships with the State and Contractors of other service Modules as defined in Section 4.5.5 and Section 5, Exhibit 5-N of the RFP.
- Ensuring that Contractor complies with the provisions of Appendix B, Section 30.

*Bidder understands the requirement and shall meet or exceed it? Yes\_\_\_\_\_ No\_\_\_\_\_*

*Reference: document\_\_\_\_\_*

*location\_\_\_\_\_ page\_\_\_\_\_ paragraph\_\_\_\_\_*

*Description:*

Table 4A – Performance Deficiencies And Charges		
Performance Obligations	Deficiency	Performance Deficiency Charges
	Contractor fails to comply with contractual obligation, commitment, spirit, and intent of the four (4) Module concept to establish ongoing Contract Business Relationships with the State and Contractors of other service Modules as defined in Section 4.5.5 and Section 5, Exhibit 5-N of the RFP.	Up to \$1,000 per occurrence
	Contractor fails to comply with provisions of Appendix B, Section 30.	Up to \$5,000 per occurrence

*Bidder understands the requirement and shall meet or exceed it? Yes\_\_\_\_\_ No\_\_\_\_\_*

*Reference: document\_\_\_\_\_*

*location\_\_\_\_\_ page\_\_\_\_\_ paragraph\_\_\_\_\_*

*Description:*